

JUL 26 1955

The Honorable George H. Mahon
Chairman, Defense Subcommittee
House Committee on Appropriations
Washington 25, D. C.

Dear Mr. Chairman:

Under the provisions of the Military Construction Act of 1955 (P.L. 161), CIA is authorized to construct a headquarters installation at a cost of \$54,500,000. Of this sum not to exceed \$8,500,000 may be utilized for transfer to the National Capital Planning Commission and the Department of the Interior for the cost of extending the George Washington Memorial Parkway to the site of the Research Station of the Bureau of Public Roads at Langley, Fairfax County, Virginia, including acquisition of rights of way. The law provides that if CIA does not locate at the site at Langley, the \$8,500,000 shall not be available for obligation. The law also provides that not to exceed \$1,000,000 may be spent for the acquisition of a site.

On 23 June, when I appeared before your Subcommittee in support of appropriations for this construction, the Military Construction Act had not yet passed the Congress. Until passed, the extension of the Parkway would not be assured and since this is essential to location at Langley, final determination on the site could not be made. The House Appropriations Committee therefore recommended the sum of \$3,000,000 for CIA to proceed with the preparation of detail plans and specifications, but postponed consideration of funds for a site. Subsequently, the sum recommended by the Appropriations Committee was stricken from the bill on the Floor of the House on a point of order.

When I later appeared before the Defense Appropriations Subcommittee in the Senate, P.L. 161 authorizing extension of the George Washington Memorial Parkway to the Langley site had been enacted. I informed that Subcommittee that CIA strongly preferred locating its headquarters installation on the Government-owned tract at Langley, although, should the Committee deny funds for the Parkway extension, a tract at Alexandria would be acceptable. I pointed out to the Senate Subcommittee that failure to determine the site had been a major factor in the allowance by the House Appropriations Committee of funds for plans and specifications only. I further noted that such plans could not be properly prepared until a site was selected, and that to plan for

MORI/CDF

Langley, we would require an additional \$4,000,000 for the first year's work on the Parkway extension to assure that the Parkway would be completed when our installation was ready for occupancy. Furthermore, I pointed out that it was my understanding that the House Committee preferred not to use unobligated balances for this construction project, and recommended that the Committee give us a direct appropriation of \$7,000,000. We have obtained the approval of the Bureau of the Budget for the use of direct appropriations, and a copy of the authorization from Mr. Hughes, Director of the Bureau of the Budget, dated 21 July 1955, is attached for your information.

The Senate Appropriations Committee has now approved the sum of \$3,000,000 for the preparation of detail plans and specifications and \$4,000,000 for the extension of the Parkway, with a proviso that, if CIA does not locate at Langley, a sum of not to exceed \$350,000 shall be available for the acquisition of a site elsewhere.

It is my earnest hope that the House Appropriations Committee will accept the action of the Senate Appropriations Committee with one change. The best offer we now have for sufficient land in Alexandria is about \$500,000; hence \$350,000 appears inadequate and should be increased to \$500,000. This does not increase the total of \$7,000,000 requested since if site money is expended, the \$4,000,000 for the Parkway will not be required. While we consider the Langley site is the best available, we believe provision for an alternative is advisable to insure that the final choice is the best for our purposes, and that the construction of our permanent headquarters is completed at the earliest possible time.

I am attaching herewith a more detailed statement of our position in this matter so that you may be fully aware of the reasons for our preference for Langley and the steps that have been taken in connection with that site.

Respectfully yours,

Allen W. Dulles
Director

Attachment